

NEWS RELEASE



***OFFICE OF THE UNITED STATES ATTORNEY
SOUTHERN DISTRICT OF CALIFORNIA
San Diego, California***

***United States Attorney
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For Immediate Release

NEWS RELEASE SUMMARY - March 10, 2006

United States Attorney Carol C. Lam announced that United States District Court Judge Jeffrey T. Miller today sentenced Michael Kayser in federal district court in San Diego to serve to serve 6 months in custody, 6 months in home confinement, and three years of supervised release. Kayser also was ordered to pay \$13,408 to the Internal Revenue Service, a fine of \$2,000 and to pay a \$100 special assessment. Kayser, a former sales director for the now-defunct A2Z USA Inc., a telemarketing business, was convicted by a federal jury in December 2005 of evading taxes by substantially understating the income he declared on his 2000 individual Form 1040 tax return.

According to the presented evidence at trial, Kayser failed to declare on his tax return approximately \$46,481 he received as commissions from A2Z USA for telemarketing sales during 2000. The evidence showed that he declared other income he earned during that year, but he concealed the income earned from his telemarketing employment, thereby evading the payment of \$13,408 in additional income tax.

United States Attorney Lam said, “Prosecuting tax cheats is an important step in ensuring the integrity of our tax system for the vast majority of honest and hardworking taxpayers.”

Kenneth J. Hines, Special Agent-in-Charge, IRS Criminal Investigation, San Diego, stated: “Today’s sentence sends a clear message to the American public that those individuals who violate our tax laws by evading their income tax will be prosecuted. American taxpayers can be confident that they will not assume the burden of those who disregard our tax laws.”

DEFENDANT

Michael Kayser

SUMMARY OF CHARGES

Tax Evasion in violation of Title 26, United States Code, Section 7201

Maximum penalty is five years in prison and fine not to exceed \$100,000

AGENCY

Internal Revenue Service - Criminal Investigation